

LEGISLATURE OF NEBRASKA
NINETY-SIXTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 846
FINAL READING

Introduced by Brown, 6

Read first time January 20, 1999

Committee: Appropriations

A BILL

1 FOR AN ACT relating to state employees; to amend section 81-1392,
2 Revised Statutes Supplement, 1998; to change provisions
3 relating to the employee buy-out program; and to repeal
4 the original section.
5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-1392, Revised Statutes Supplement,
2 1998, is amended to read:

3 81-1392. (1) The Legislature finds that the state must
4 use its human resources in the most cost-effective manner possible
5 by employing skilled workers at reasonable rates and in positions
6 in which their skills will be best utilized. The Legislature also
7 finds that it is necessary to create a program that will give state
8 employees the opportunity to voluntarily leave state government
9 with compensation for surrendering vested rights under the State
10 Personnel System or the state's collective-bargaining agreement.

11 (2) The personnel division of the Department of
12 Administrative Services shall develop, administer, and coordinate
13 all requests from agencies for an employee buy-out program. The
14 personnel division shall determine under what conditions a buy-out
15 is offered, including the appropriateness of a buy-out and the
16 number of buy-outs to be offered. The personnel division shall
17 develop a valuation formula to be uniformly applied in determining
18 the value of the vested rights identified in all buy-out programs.
19 Such formula shall include an independent actuarial analysis to
20 value the vested rights. In no event shall payments which exceed
21 the valuation determined by the independent actuarial analysis be
22 offered as part of a buy-out program.

23 (3) If an agency determines there is a need for a buy-out
24 program, the director of the affected agency shall submit a
25 proposed plan detailing the scope of the buy-out, addressing such
26 factors as geographic sites, classifications impacted, future
27 agency needs, and potential costs. ~~Any proposed buy-out program~~
28 ~~shall include an independent actuarial analysis to assist in~~

1 ~~determining the value of the vested rights identified. The formula~~
2 ~~of such actuarial analysis shall be uniformly applied to all~~
3 ~~offered buy-out plans. In no event shall payments which exceed the~~
4 ~~valuation determined by the independent actuarial analysis be~~
5 ~~offered as part of a buy-out program. The Director of~~
6 Administrative Services shall be responsible for approving any
7 buy-out plan prior to the offering of the plan to eligible
8 employees.

9 (4) For purposes of this section:

10 (a) Agency means any agency, department, commission, or
11 board of state government whose employees are covered under the
12 State Personnel System or a collective-bargaining agreement;

13 (b) Buy-out means the situation in which a state employee
14 leaves his or her position with state government and waives any
15 vested rights in connection with that employment in exchange for
16 some form of compensation, whether direct or indirect, by the
17 state;

18 (c) Employee means those employees covered under the
19 State Personnel System or a collective-bargaining agreement; and

20 (d) Vested rights includes, but is not limited to, the
21 continued right to employment, vacation leave, sick leave, holiday
22 leave, retirement, and insurance benefits.

23 (5) The Director of Administrative Services shall provide
24 an annual report regarding all employee buy-outs to the Governor
25 and the Legislature at the end of each fiscal year.

26 (6) The director shall adopt and promulgate rules and
27 regulations to carry out this section.

28 Sec. 2. Original section 81-1392, Revised Statutes

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- 1 Supplement, 1998, is repealed.